

**DELAWARE DEPARTMENT OF TRANSPORTATION  
AUDIT SECTION  
INTERNAL CONTROL QUESTIONNAIRE**

## **Company Information**

---

**Date:** \_\_\_\_\_ **Prepared By:** \_\_\_\_\_

**Firm's E.I.N. No.:** \_\_\_\_\_

**Name of Firm:** \_\_\_\_\_

**Address:** \_\_\_\_\_

\_\_\_\_\_

**Telephone No.** \_\_\_\_\_ **Fax No.** \_\_\_\_\_

**Web Site/Email Address:** \_\_\_\_\_

\_\_\_\_\_

---

**Type of Organization:**

\_\_\_\_\_ **Corporation**

\_\_\_\_\_ **Closely Held**

\_\_\_\_\_ **Family**

\_\_\_\_\_ **Publicly Held**

---

**Names and Titles of Corporate Officers**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ **Partnership**

---

**Partner's Names and ownership %:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ **Division of:** \_\_\_\_\_

\_\_\_\_\_ **Other Type of Organization:** \_\_\_\_\_

**If there have been no changes since your previous questionnaire submission please sign and return:**

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**DELAWARE DEPARTMENT OF TRANSPORTATION  
AUDIT SECTION  
INTERNAL CONTROL QUESTIONNAIRE**

**Estimated breakdown of labor force:**

- Number of employees working on billable projects: \_\_\_\_\_
- Number of administrative employees/non-billable: \_\_\_\_\_

**Annual Sales/Expenditures** (Most recent complete fiscal year): \$ \_\_\_\_\_

**What is your fiscal year/accounting period?** \_\_\_\_\_

**Financial Information and Processes**

**Preparer of Firm's Financial Statements:**

\_\_\_\_\_

**Does the firm prepare an indirect cost/overhead schedule:**

\_\_\_\_\_ Yes. Please forward most recent copy

\_\_\_\_\_ No.

**Indicate the method used to determine the overhead derivation:**

\_\_\_\_\_ Cash      \_\_\_\_\_ Accrual

**Please indicate the name of the State, Municipal, or Federal agency that has recently audited your firm's overhead rate.**

Attach a copy of that report or provide written permission for us to contact the State, Municipal, or Federal agency to obtain a copy.

**Identify all:**

- a) **affiliated firms**
  
- b) **immediate family members of senior management or a principal shareholder with whom your firm has entered into contracts or done at least \$10,000 in business within the past 12 months.**

**List all parties doing business with your firm who are or have been recipients of loans extended by any of the consultant's principal shareholders or senior management.**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Is there any property or equipment owned by partners/corporate officers or other close relationship, which is leased to the firm?**

\_\_\_\_\_ Yes      \_\_\_\_\_ No

**DELAWARE DEPARTMENT OF TRANSPORTATION  
AUDIT SECTION  
INTERNAL CONTROL QUESTIONNAIRE**

**If yes, please explain the relationship.**

---

---

**What written procedures and policies do you maintain?**

\_\_\_\_ Accounting

\_\_\_\_ Personnel

\_\_\_\_ Other \_\_\_\_\_

**Is the accounting system computerized or manual?** \_\_\_\_\_

**If accounts are computerized, what software package do you use? Since when?**

---

---

**What basis of accounting are you on?**

\_\_\_\_ Cash

\_\_\_\_ Accrual

\_\_\_\_ Modified Accrual, if yes explain

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**What reports do you generate and how often?**

	<u>Monthly</u>	<u>Yearly</u>
A. General Ledger	_____	_____
B. Cash Disbursements	_____	_____
C. Cash Receipts	_____	_____
D. Payroll Register	_____	_____
E. Project Cost	_____	_____
F. Direct/Indirect Labor Report	_____	_____
G. Other	_____	_____

---

---

**How often are reports reconciled? Who reconciles?** \_\_\_\_\_

---

---

**DELAWARE DEPARTMENT OF TRANSPORTATION  
AUDIT SECTION  
INTERNAL CONTROL QUESTIONNAIRE**

**Is a Job Order Cost Accounting system in use?**    ☐ Yes    ☐ No

**If yes, are there separate direct and indirect accounts in the General Ledger and Purchases or Cash Disbursements Journals?**

☐ Yes    ☐ No

**Explain:**

---

---

---

**Is your cost accounting system integrated with your financial accounting system? If so, explain.**

---

---

---

---

**Identify any expense that was incurred in whole or in part as an accommodation to any party in return for, or as an inducement for, any other business with you or with any of your affiliates.**

---

---

---

**Which of the following expenses are normally billed to clients and at what unit price?**

Employee personal mileage & travel expenses    ☐ Yes    ☐ No

Rates Applied:    Mileage: \_\_\_\_\_

Travel Expenses: \_\_\_\_\_

Company Car Mileage    ☐ Yes    ☐ No    Rate: \_\_\_\_\_

Xerox Copies    ☐ Yes    ☐ No    Rate: \_\_\_\_\_

Prints & Reproductions    ☐ Yes    ☐ No    Rate: \_\_\_\_\_

Attach rate schedule for in-house charges.

Telephone    ☐ Yes    ☐ No

Computer    ☐ Yes    ☐ No

If yes, attach documentation used to develop the billing rates.

**DELAWARE DEPARTMENT OF TRANSPORTATION  
AUDIT SECTION  
INTERNAL CONTROL QUESTIONNAIRE**

**What advertising expenses do you incur and to what accounts are these expenses charged?**

---

---

**List any income or expense account item carried elsewhere than on the general ledger income or expense records.**

---

---

**Are all jobs costed consistently, even if they cannot be billed directly? Explain.**

---

---

**Are direct costs identified on lump sum jobs?**      ☐ Yes      ☐ No

**Do you maintain any Cost Centers (i.e. A separate cost pool for CADD)? What are they?**

---

**In distributing labor, please explain the system used by the firm.**

---

---

**Approximately, what percentage of your business is governmental versus private?**

---

---

**Is the company beneficiary of life insurance policies on key personnel?**

---

---

**Are time sheets prepared by all company personnel?** \_\_\_\_\_

---

**Do the principals and secretarial staff charge time directly to all projects? If yes, approximately what is the percentage of direct versus indirect?**

---

---

---

**Is all time worked reported? Is time charged directly to all projects regardless of type or status of a contract?**

---

---

**DELAWARE DEPARTMENT OF TRANSPORTATION  
AUDIT SECTION  
INTERNAL CONTROL QUESTIONNAIRE**

**Can or is the payroll register reconciled to the general ledger (accounting system) and also to the cost accounting system?**

---

---

---

**Are the time sheets reviewed by a second person and signed by this reviewer?**

---

**Does the firm use contract labor and how is this labor accounted for?**

---

---

---

**Does the firm use temporary labor? What is the percentage versus full-time? Is there a reduced overhead rate for such labor?**

---

---

---

**Does the company have a written bonus policy?**

---

---

**Do employees continue to charge time to jobs on which the firm has incurred an overrun?**

\_\_\_\_ Yes      \_\_\_\_ No

**What is the company's policy for overtime hours and pay for salaried individuals?**

---

---

---

---

---

**List the names of any officers and employees, working on a day to day basis in the area of accounting who, during the last 24 months, did not remain absent from their duties for a minimum of 10 continuous working days during any fiscal year.**

---

---

---

**If you have been a defendant in any suits in law or equity in the past 12 months, give the names of the plaintiffs, amounts sued for, and nature or basis for litigation.**

---

---

**DELAWARE DEPARTMENT OF TRANSPORTATION  
AUDIT SECTION  
INTERNAL CONTROL QUESTIONNAIRE**

**Identify any personal benefit in excess of \$50 per year to any employee given by any company, or employee of any company doing business with you.**

---

---

---

**Give the name of any director, officer or employee who has in the past 24 months been convicted of, or who is presently under indictment for any criminal offense involving dishonesty or a breach of trust.**

---

---

---

**Identify any personal benefit in excess of \$25 per year given by you or one of your affiliates to any employee of a government agency substantially involved with any business of yours.**

---

---

---

**Please attach the following**

- ☐ Copies of current financial statements
- ☐ Chart of Accounts
- ☐ Organizational Chart (including lines of authority)
- ☐ Most recent audited Overhead/Indirect Report (include written permission to contact auditing agency about overhead audit)
- ☐ Federal Tax Return for the most recent two years
- ☐ Current labor rates
- ☐ Written bonus policy
- ☐ Travel Policy

**This questionnaire may be returned by mail, fax, or email.**

**Delaware Department of Transportation  
Audit Section  
800 Bay Road  
Dover, Delaware 19903  
Tel #: (302) 760-2055  
Fax #: (302) 739-2895**